

1998 PROPOSED AMENDMENTS TO REGULATIONS

CONSULTATION PAPER AND QUESTIONNAIRE

Please review the proposed Regulations and
return your comments by November 18, 1998

RETURN COMPLETED

QUESTIONNAIRE TO:

Alberta Municipal Affairs
Municipal Services Branch
Legislative Projects Unit
17th Floor - 10155 102 Street
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Overall Introduction

This consultation paper is a document which allows you the opportunity to provide comments regarding changes that are under consideration by the Local Government Services Division. Please review the concepts and proposals, and provide your written comments prior to November 18, 1998.

This consultation paper deals with preliminary proposals. The feedback from various stakeholders may lead to revised proposals which, when drafted into a regulation, may be significantly changed from what is presented here.

The structure of this consultation paper is as follows:

1. Overall Introduction
2. Standards of Assessment Regulation (AR 365/94)
 1. Introduction
 2. Background to proposed 1998 amendments
 3. Proposed changes by concept
 4. Questions
3. Assessment Equalization Regulation (AR 366/94)
 1. Introduction
 2. Background to proposed 1998 amendments
 3. Proposed changes by concept
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 1. Introduction
 2. Background to proposed 1998 amendments
 3. Section-by-section overview of the changes
 4. Questions
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 3. Overview of each regulation for repeal
 4. Questions

6. Assessment Complaints and Appeals Regulation

1. Introduction
2. Background to proposed 1998 amendments
3. Proposed changes by concept
4. Questions

7. Qualification of Assessor Regulation

1. Introduction
2. Background to proposed 1998 amendments
3. Proposed changes by concept
4. Questions

8. Appendices

- Appendix 1: Text of the Current Regulation for AR 365/94 (amended to 290/97)
- Appendix 2: Text of the Current Regulation for AR 366/94 (amended to 318/96)
- Appendix 3: Text of the Current Regulation for AR 372/94 (amended to 162/97)
- Appendix 4: Text of the Current Regulation for AR 121/97 (no amendment)

*Proposed 1998 Amendments to the
Standards of Assessment Regulation
(AR 365/94)*

PROPOSED AMENDMENTS TO THE STANDARDS OF ASSESSMENT REGULATION AR 365/94

Introduction

The primary changes proposed for the Standards of Assessment Regulation (SOA) are as follows.

1. Removal of all references to depreciated replacement cost, thereby removing the misunderstanding that there are two value standards.
2. a) The SOA may be amended to define farming operations depending on the outcome of the public consultation by the MLA Farm Assessment Review Committee.
b) Clarification is also required with regard to the intent of the three-acre market value site provisions.
3. The other amendment includes allowing a municipality to take two years to implement the 1994 regulated rates for machinery and equipment.
4. The last item is a housekeeping amendment change to a side bar. The reference to the Planning Act should be changed to the Municipal Government Act.

Market value for unregulated property

Background

Regardless of the value standard, the quality of all property assessments, other than regulated assessments, is measured against the market value of the property. The determination for assessment may be by any of the following three methods:

1. The Income Approach.
2. The Cost Approach.
3. The Direct Comparison Approach.

The following sections require amendment to clarify one value standard which can be determined through these methods.

Definition of “depreciated replacement cost”

As explained in the introduction

- (a) It is proposed that section 1(d) of the Standards of Assessment Regulation (AR 365/94), which contains the definition of depreciated replacement cost, be repealed.**

Valuation standard for improvements

Under section 3(1)(b) of the Standards of Assessment Regulation (AR 365/94), an assessor may use either depreciated replacement cost or market value as the valuation standard for improvements to unregulated property.

Using two valuation standards for similar property types deviates from the provincial policy of simplifying and deregulating property assessment. A move to market valuation would assist both the assessment community in preparing valuations and the Municipal Government Board (MGB) in using uniform criteria to render equitable property assessment decisions.

Requests have been made to remove all references to valuing improvements at depreciated replacement cost from the Regulation.

- (b) It is proposed that the references to valuing improvements at depreciated replacement cost be deleted from section 3(1)(b) in the Standards of Assessment Regulation (AR 365/94).**

Section 3(2) of the Standards of Assessment Regulation states that if an assessor chooses to prepare assessments for improvements on the basis of market value, the future assessments for those improvements must also be prepared using that same valuation standard. Removing the reference to depreciated replacement cost eliminates any perceived choice for a valuation standard.

- (c) It is proposed that section 3(2) of the Standards of Assessment Regulation (AR 365/94) be repealed.**

There is a court precedent for using market value as the valuation standard for unregulated property. It is proposed that the following amendment be added after section 3 of the Standards of Assessment Regulation (AR 365/94):

"3.1 The value standard for a parcel of land and the improvements to it is market value except for:

- (a) property referred to in sections 5, 6 and 7; and
- (b) property referred to in section 2(1)(b) as set out in this regulation."

[Section 284(1)(r) of the Municipal Government Act (MGA) defines property as "a parcel of land," "an improvement," or "a parcel of land and the improvements to it."]

- (d) **It is proposed that the above amendment be added to section 3 of the Standards of Assessment Regulation (AR 365/94).**

Valuation standard when a parcel and improvements are assessed together

Section 4 allows an assessor to prepare a combined assessment for property. As the choice for the valuation standard of depreciated replacement cost is being removed, the choice offered in subsection one is no longer required.

- (e) **It is proposed that section 4(1)(a) of the Standards of Assessment Regulation (AR 365/94) be repealed.**

Mass appraisal

Section 11 of the Standards of Assessment Regulation states that:

- "11 An assessment of property based on market value or depreciated replacement cost
- (a) must be prepared using mass appraisal;
 - (b) must be an estimate of the value of the fee simple estate in the property; and
 - (c) must reflect typical market conditions for properties similar to that property."

As noted earlier, if it is determined that reference to depreciated replacement cost is to be deleted from this regulation, such terminology would also have to be deleted from section 11.

- (f) It is proposed that the reference to "or depreciated replacement cost" be deleted from section 11 of the Standards of Assessment Regulation (AR 365/94).

Definition of "farming operations"

The rapidly changing nature of agriculture has created problems in determining what activities constitute farming operations as opposed to value-added agricultural business.

The assessment community and a number of municipalities have requested a change. It is expected that the MLA Committee reviewing the regulated assessment farm valuation will also have some recommendations to be considered later in the year.

Clarification of the valuation standard for a parcel of land and the three-acre site

Under section 2(3)(b) of the Standards of Assessment Regulation (AR 365/94), market value is the valuation standard for property greater than one acre but not more than three acres in area that is occupied for residential purposes or that can be serviced by using water and sewer distribution lines located on land that is adjacent to the parcel.

Under section 2(3)(c) of the Standards of Assessment Regulation (AR 365/94), market value is the valuation standard for any area of land, at least three acres in size that is used for residential purposes and located within a parcel of land.

Under section 2(3)(c)(i) of the Standards of Assessment Regulation (AR 365/94), market value is the valuation standard for property three acres or more in size that is located within a parcel of land.

Under section 2(3)(c)(ii) of the Standards of Assessment Regulation (AR 365/94), market value is the valuation standard for property three acres or more in size that is occupied for residential purposes.

Alberta Municipal Affairs' Assessment Services Branch (ASB) has asked that this subsection be amended by replacing "occupied" with "used." This would allow for the market valuation of property of three acres or more in size that is used - but not necessarily occupied - for residential purposes.

Additional clarification of the valuation standard for property within a larger parcel has been requested. Concern has been raised regarding the valuation standard for

parcels between one and three acres in size, located within a larger parcel and used for residential purposes.

It is proposed that section 2(3)(c)(i) of the Standards of Assessment Regulation be amended by adding the word “larger” before “parcel”.

It is proposed that section 2(3)(c)(ii) of the Standards of Assessment Regulation be deleted and replaced with “in which any part of the parcel is used for residential purposes”.

Section 2(3)(d)(ii) of the Standards of Assessment Regulation (AR 365/94) states that market value is the “valuation standard for property three acres in area which is not occupied for any purpose, but which can be serviced by using water and sewer distribution lines located in land that is adjacent to the parcel.”

This wording currently has the effect of eliminating all uses of such land, including farming operations, from the valuation process. Under the former Municipal Taxation Act, it was intended that property having access to services be assessed at market value for the first three acres and at agricultural use value for the remainder.

The Assessment Services Branch has requested that the phrase “is not occupied for any purpose but” be removed from this subsection.

It is proposed that section 2(3)(d)(ii) of the Standards of Assessment Regulation be amended by deleting the phrase “is not occupied for any purpose but.”

Valuation standard for machinery and equipment

Section 7 outlines the valuation standard for machinery and equipment. It is proposed that in 1998 the Alberta Machinery and Equipment Assessment Minister's Guidelines will be amended to update the cost values from 1984 to 1994 cost levels.

Some municipalities feel they do not have enough time to complete the reassessment.

Therefore we propose the following amendments:

Despite subsection (2), when a reassessment is prepared in a municipality for taxation in 1999 and subsequent years,

- (a) the assessor may choose to prepare an assessment for machinery and equipment following the Alberta Machinery and Equipment Assessment Minister's Guidelines established in 1997 for taxation in 1998 and 1999 only.

Assessments prepared in accordance with subsection (3) will be adjusted for the purposes of section 317(a) of the MGA to reflect the assessment of the machinery and equipment as if it were assessed using the Alberta Machinery and Equipment Assessment Minister's Guidelines established in 1998.

Housekeeping

In section 8, the sidebar and text indicates that these are actions under the Planning Act. The reference should be changed to action under Part 17 of the Municipal Government Act.

It is proposed that the "Planning Act" be deleted and replaced with the "Municipal Government Act".



**Proposed Amendments for 1998 to the
Standards of Assessment Regulation (AR 365/94)**

Respondent: _____
Position: _____
Representing: _____

1. (a) Should the definition of “depreciated replacement cost” be repealed in sections: 1(d), 3(1)(b), 3(2), 4(1)(a) and 11 (Depreciated replacement cost for unregulated property option is still always available as a tool.)

- (b) Should a new section be added in 3.1 to clarify that the value standard for a parcel of land and the improvements to it is market value (except for certain regulated property)?

2. (a) Should an amendment be made to section 2(3)(c)(i) to clarify that the site is deemed to be three acres?

- (b) Should an amendment be made to section 2(3)(c)(ii) to clarify that the site is deemed to be three acres even if only a part of a parcel is used for residential purposes?

2. (c) Should the phrase “is not occupied for any purpose but” be deleted from section 2(3)(d)(ii)?

3. The 1994 cost values for machinery and equipment require a municipality to review all machinery and equipment that was valued using 1984 cost values. Should provisions be added to allow a municipality a two-year phase in to prepare the reassessment with the new cost values?

*Proposed 1998 Amendments to the
Assessment Equalization Regulation
(AR 366/94)*

PROPOSED AMENDMENTS TO THE ASSESSMENT EQUALIZATION REGULATION AR 366/94

Providing the Minister the ability to phase in equalized assessment increases

The changes proposed for the Assessment Equalization Regulation are as follows:

Section 2.1 should be amended to provide the Minister greater flexibility when limiting the increase in a municipality's equalized assessment. The present wording in the regulation provides the Minister with the ability to phase in equalized assessment increases of more than 10%. The regulation also provides for phasing in the increase over a period of 3 years.

It is proposed that:

Section 2.1(1) repealed and replaced with:

"The Minister may cap increases in a municipality's equalized assessment."

Section 2.1(2), delete "1997" and replace with "1999".

The side note needs to be changed to "Capping changes".

Removal of Redundant Sections related to Summer Villages

Section 4 states that the equalized assessment for a summer village must be adjusted in accordance with the schedule. The schedule was established to provide an adjustment amount for the years 1995, 1996 and 1997. This time frame has expired and therefore section 4 and the attendant schedule are both no longer required.

Section 5 addresses the exclusion from the equalized assessment of any property that was entitled to a tax reduction under the Property Tax Reduction Act. This tax reduction was set up as a senior citizen renter assistance grant. This Act was repealed in October, 1995 and therefore this section is no longer valid.

It is proposed that the following portions of the regulation be deleted:

- a) section 4,**
- b) section 5, and**
- c) schedule.**



**Proposed Amendments for 1998 to the
Assessment Equalization Regulation (AR 366/94)**

Respondent: _____

Position: _____

Representing: _____

1. Do you support the change to section 2.1(1)?

2. Do you support deleting section 4 and the schedule?

3. Do you support deleting section 5?

*Proposed 1998 Amendments to the
Transitional Regulation
(AR 372/94)*

PROPOSED AMENDMENTS TO THE TRANSITIONAL REGULATION AR 372/94

Introduction

The transitional regulation's purpose was to deal with provisions from previous acts. It facilitated a smooth transition into the new Municipal Government Act (MGA).

Many of these provisions are no longer needed. However, until all municipalities complete new reassessments under the MGA, there is still a need for some of the existing transition provisions.

Due to continuing relevance, we are proposing no change to the following sections at this time:

Section 2	Year in which the new Act applies to assessments
Section 4	Assessed values
Section 5	Application of Property Tax Exemption Regulation
Section 7	Assessments for Condominiums
Section 13.1	Public vote bylaws
Section 16	Assessment appeals
Section 17	Tax recovery
Section 18	Continuations of lease on tax recovery land
Section 19	Repealed acts to remain in force in the town of Banff
Section 20.2	Gas Utilities Act
Section 20.3	Business revitalization zones
Section 20.4	Investments
Section 20.5	Authority to sit as a member of Alberta Assessment Appeal Board
Section 21	The coming into force

The proposed 1998 amendments will change or repeal the following:

Year in which the new Act applies to assessments

A time extension for completing a reassessment for farmland under the Municipal Government Act has been requested by the County of Red Deer. The municipality would like to be able to delay carrying out the reassessment of farmland until 1999.

It is proposed that a subsection 5 be added in section 2 which states:

2(5) despite subsections (1) and (2),

(a) the County of Red Deer and Yellowhead County must prepare assessments for assessment class 3 farm land property in that municipality in accordance with the new Act, not later than in 1999 for taxation in 2000.

Preparation of assessment roll

As stated before, some provisions cannot be removed until Edmonton and Calgary complete a reassessment.

However, section 3(3) and (4) should be removed from the regulation. Subsection 3 allows a municipality to exclude property which is exempt from taxation from its assessment roll only in 1995. Subsection 4 then further outlines that the assessment roll must be corrected for property excluded by subsection 3 before May 1, 1995. All exempt properties have been reassessed.

These subsections are no longer required and it is proposed that section 3(3) and (4) be repealed as of December 31, 1998.

The Municipality of Crowsnest Pass

The Municipality of Crowsnest Pass has prepared assessments for property in the municipality in accordance with the new Act in 1997. Therefore this entire section is not required and should be removed.

It is proposed that section 6 be repealed as of December 31, 1998.

Mobile units

All mobile units have been reassessed under the provisions of the MGA. This section, referencing licensing mobile units for one year after the new Act comes into force, should be removed as the need for it expired on January 1, 1996.

It is proposed that section 8 be repealed as of December 31, 1998.

Machinery and equipment exemption

Section 9(1), referencing tax exemptions for machinery and equipment, was only valid until January 1, 1997. Therefore this section should be removed. Subsection 2 should also be removed as subsection 1 is invalid and all equalized assessments are now reported in accordance with the provisions in the MGA.

It is proposed that section 9 be repealed as of December 31, 1998.

Costs of preparing assessments

This provision, allowing a municipality to be partially reimbursed by the Province for the costs to prepare an assessment, was only valid until March 31, 1995, and therefore should be removed. A new grant structure was introduced in 1998 for preparing assessments.

It is proposed that section 10 be repealed as of December 31, 1998.

Assessment to be excluded from equalized assessment

This provision is no longer required because the municipal bylaws to make exempt property taxable under the former Municipal Taxation Act were only valid for taxation in 1995.

It is proposed that section 11 be repealed as of December 31, 1998.

Equalized assessments to be prepared and effective in 1995

Section 12(1), respecting equalized assessments effective in 1995, was only valid until January 15, 1995. Section 12(2), respecting a report of the equalized assessment prepared under subsection 1, was only valid until May 1, 1995. Section 12(3), respecting the appeal of an equalized assessment prepared under subsection 1, was only valid until July 1, 1995.

It is proposed that all of section 12 be repealed as of December 31, 1998.

Bylaws continued

Section 13(1), respecting a bylaw passed by council under the former Municipal Tax Exemption Act, was only valid until December 31, 1995. The power of the Municipal Tax Exemption Act is no longer in force and its key provisions were brought into the MGA.

It is proposed that section 13 be repealed as of December 31, 1998.

Formation of a municipal district

Section 14, respecting the formation of a municipal district on January 1, 1995 was valid for an application made in December 1994 and therefore should be removed.

It is proposed that section 14 be repealed as of December 31, 1998.

Edmonton Power Authority

Section 15(1) excludes the Edmonton Power Authority from sections 181 and 195 to 199 of the new Act until January 1, 1997. The effective date has passed and therefore this section should now be removed.

Section 15(2) stating that the resolution establishing the procedures and conduct for the Edmonton Power Authority may not be challenged during 1995 and 1996. These dates have passed and this section should therefore be removed.

It is proposed that all of section 15 be repealed as of December 31, 1998.

Repealed Acts to remain in force in The Town of Banff

Section 19 outlines which legislation is effective in the Town of Banff. The Federal Minister declared the 1994 Municipal Government Act to be in effect in the Town of Banff, in whole or in part. This declaration was signed on November 17, 1995.

It is proposed that section 19 be repealed as of December 31, 1998.

Corporation not a council committee

Section 20, established that a council committee was only valid until January 1, 1997. The corporations are now under the Municipal Government Act jurisdiction.

It is proposed that section 20 be repealed as of December 31, 1998.

Annual financial statements

Section 20.1, outlines how a municipality is to prepare its annual financial statements for the 1994 financial year. This section is no longer required as 1994 has passed.

It is proposed that section 20.1 be repealed as of December 31, 1998.



**Proposed Amendments for 1998 to the
Transitional Regulation (AR 372/94)**

Respondent: _____

Position: _____

Representing: _____

1. Do you support providing an extension to County of Red Deer and Yellowhead County for preparing assessments on farm land property?

2. Do you support the repeal of sections 3(3) and 3(4) effective December 31, 1998?

3. As the Municipality of Crowsnest Pass has prepared a reassessment, it is proposed that section 6 be repealed as of December 31, 1998. Do you agree?

4. Mobile units have been reassessed under the provisions of the Municipal Government Act. Therefore, do you support the repeal of section 8 as of December 31, 1998?

5. The references to tax exemptions for machinery and equipment were valid only until January 1, 1997. Therefore, do you support the repeal of section 9 as of December 31, 1998?

6. The reimbursements from the Province to municipalities for costs to prepare an assessment expired March 31, 1995. Therefore, do you support the repeal of section 10 as of December 31, 1998?

7. The municipal bylaws to exempt property under the former Municipal Taxation Act were only valid in 1995. Therefore, do you support the repeal of section 11 as of December 31, 1998?

8. Section 12 respecting equalized assessments was only valid until 1995. Therefore, do you support the repeal of section 12 as of December 31, 1998?

9. The Municipal Tax Exemption Act is no longer in force. Therefore, do you support the repeal of section 13 as of December 31, 1998?

10. Section 14 respecting formation of a Municipal District was valid only for an order made in December, 1994. Therefore, do you support the repeal of section 14 as of December 31, 1998?

11. The effective dates in section 15 respecting the Edmonton Power Authority have passed and this section should now be removed. Therefore, do you support the repeal of section 15 as of December 31, 1998?

12. Section 19 outlines which legislation was effective in the Town of Banff. The declaration was signed November 17, 1995 stating that the Municipal Government Act governed the Town of Banff. Therefore, do you support the repeal of section 19 as of December 31, 1998?

13. Section 20 stated that a corporation established as a council committee was valid only until January 1, 1997. Therefore, do you support the repeal of section 20 as of December 31, 1998?

14. Section 20.1 outlines how a municipality was to prepare its annual financial statements for 1994. Therefore, do you support the repeal of section 20.1 as of December 31, 1998?

*Miscellaneous
Repeal Regulation
(new)*

MISCELLANEOUS REPEAL REGULATION

Introduction

As part of the Regulatory Reform Review Task Force mandate, it is a requirement to review regulations and determine if they are relevant or required. This review is significant because it is difficult to resurrect a required regulation after it has been repealed.

Background

In 1995, the new Municipal Government Act required new attendant regulations. These regulations are reviewed periodically to determine their relevance. As a result of these reviews, the following assessment and taxation regulations have been identified as redundant and may be considered for repeal.

Assessment Equalization Regulation (AR 56/86)

The Assessment Equalization Regulation (AR 56/86), along with transitional provisions, was only necessary to support the equalized assessment effective for the 1995 tax year. Equalized assessments are currently prepared under the authority of the Municipal Government Act, sections 318 and 322(h), and the Assessment Equalization Regulation (AR 366/94). Therefore, the Assessment Equalization Regulation (AR 56/86) has no effect as the "newer" Assessment Equalization Regulation (AR 366/94) is the attendant regulation.

These provisions came into force January 1, 1995, and were used for the equalized assessment effective in 1996 and subsequent tax years.

It is proposed that the Assessment Equalization Regulation (AR 56/86) be repealed in 1998.

Crown Agency Property Valuation Regulation (AR 21/79)

The Crown Agency Property Valuation Regulation (21/79) dealt with properties under the Municipal and Provincial Properties Valuation Act, which was repealed January 1, 1995, by the Municipal Government Act.

The substantive section of the Municipal and Provincial Properties Valuation Act and its attendant regulation, the Crown Agency Property Valuation Regulation, were brought forward in the Municipal Government Act.

It is proposed that the Crown Agency Property Valuation Regulation be repealed.

Municipality of Crowsnest Pass Assessment Regulation (AR 4/91)

Section 6 of the Transitional Regulation (AR 372/94) states that the Municipality of Crowsnest Pass Assessment Regulation (AR 4/91) remains in effect until the Municipality of Crowsnest Pass has prepared new assessments for property.

The Municipality of Crowsnest Pass prepared a new assessment under the Municipal Government Act and its attendant regulations in 1997 based on 1996 values. The preparation of the new assessment would, therefore, render the Municipality of Crowsnest Pass Assessment Regulation (AR 4/91) not applicable.

It is proposed that the Municipality of Crowsnest Pass Assessment Regulation (AR 4/91) be repealed.

Regional Airports Authority Improvements Assessment Exemption Regulation (AR 390/92)

The assessments were prepared for the Regional Airport Authority Improvements Assessment Exemption Regulation (AR 390/92) under the provisions of the former Municipal Government Act and its attendant regulations. The current provisions that affect the Regional Airports Authority Improvement Assessments came into force January 1, 1995, and affect the assessment and exemptions from assessments for 1996 and subsequent tax years. These exemptions are found in the Municipal Government Act section 298, specifically in section 298(1)(x) and generally in other sections.

It proposed that the Regional Airports Authority Improvements Assessment Exemption Regulation (AR 390/92) be repealed.



**Proposed Repeal for 1998 of the
Assessment Equalization Regulation (AR 56/86),
Crown Agency Property Valuation Regulation (AR 21/79),
Municipality of Crowsnest Pass Assessment Regulation (AR 4/91), and
Regional Airports Authority Improvements Assessment Exemption Regulation (AR390/92)**

Respondent: _____

Position: _____

Representing: _____

1. Do you support the repeal of the Assessment Equalization Regulation (AR 56/86) in 1998?

2. Do you support the repeal of the Crown Agency Property Valuation Regulation (AR 21/79) on December 31, 1998?

3. Do you support the repeal of the Municipality of Crowsnest Pass Assessment Regulation (AR 4/91) in 1998?

4. Do you support the repeal of the Regional Airports Authority Improvements Assessment Exemption Regulation (AR 390/92) in 1998?

*Proposed Assessment
Complaints and Appeals Regulation
(new)*

PROPOSED ASSESSMENT COMPLAINTS AND APPEALS REGULATION

Introduction

The Spring 1998 amendments to the Municipal Government Act (MGA) added two sections (484.1 and 527.1) which grant the Minister the authority to make regulations respecting assessment review boards (ARBs) and the Municipal Government Board (MGB) respectively. Municipal Affairs is considering one regulation to deal with these matters.

The Evidentiary Matters Regulation (AR 121/97), governs some evidentiary matters in hearings before ARBs and the MGB.

Assessment Review Boards (ARBs)

Evidentiary Matters

Date for submission/Exchange of evidence

Currently AR 121/97 requires persons intending to present evidence at ARB hearings to disclose the intended evidence in a reasonable time before the hearing to the other affected parties.

It is proposed that no specific timelines be set for complaints. However, an exchange of information before the hearing is encouraged.

It is proposed that for complaints which have multiple issues (as determined in the pre-hearing), the appellant should provide the information **at least 30 days** before the hearing date. Respondents or other parties should provide their information **at least 15 days** before the hearing date.

Recording of evidence

For the Municipal Government Board to function efficiently and effectively, it is necessary to recognize that the evidence presented at the ARB stage plays the key role in hearings. For the process to work, the ARB must keep some record of what documentation and other evidence was presented. An inexpensive alternative is to tape record the proceeding and keep that record for a certain time.

It is proposed that assessment review boards maintain a record of the evidence submitted.

Panels of One

New section 484.1 allows the Minister to make regulations setting the conditions under which a council may appoint a panel of one for an ARB.

It is suggested that the regulation allow councils to appoint panels of one in the following cases:

1. procedural matters such as scheduling, disclosure of evidence;
2. single-family residential properties or farmland; or
3. any assessment under a specified value.

It is proposed that council should retain the discretion to have **panels of three** even if the parties request to have a panel of one. **Panels of three** would be held in cases of non-residential property complaints and machinery and equipment complaints.

Pre-hearing Consultation

For an appeal to proceed, it is required that there be a documented dialogue between the assessor and the complainant. This process would start with an initial complaint form from the complainant or could be an extension of the existing complaint form which would have a checklist/process that should be filled out to identify the issues. It would be mandatory that this form be completed by the complainant in order for the complaint to proceed to the assessment review board level. A copy of this form would go to the municipality, ratepayer, as well as one to the assessor.

Currently there is no mandatory mechanism to seek a solution prior to an ARB hearing. The result is an inability to resolve simple issues in advance. The assessor and the complainant must make every attempt to, at a minimum, have a dialogue to address the issues outlined on the form. A meeting between the two parties would be preferable. The implementation of a mandatory meeting requirement will be transitional and will become mandatory in the year 2000. The mandatory minimum requirements will not be transitional.

This proposed process would allow both parties to consider and discuss their positions. If manpower is an issue, the Minister may, by Ministerial Order, extend the period of appeal.

It is proposed that a consultation be held with the assessor prior to filing of a complaint.

Written Appeals

Time, distance, and work schedules prevent some complaints from proceeding to a formal hearing. Written complaints should be as valid as personal appearance complaints. Currently, they are accepted, but in some jurisdictions it is denied due to the fact the information cannot be cross-examined.

It is proposed that permission be given for the presentation of appeals at the ARB through written submissions. This allows a non-threatening and/or efficient vehicle for taxpayers to access the appeal process.

Estimate of time for complaints

Ratepayers have voiced some concern with the amount of time allotted to them. This requirement could be a condition of the complaint. When the complaints are filed, an estimate of the amount of time required to present the case will give an indication of the complexity of the issue.

It is proposed that a complainant is required to propose “time required to present the case” when filing a complaint.

Municipal Government Board (MGB)

The MGB has its own guidelines regarding procedures. The following suggestions are proposed to enhance those already in place.

Evidentiary Matters

Date for submission/Exchange of evidence

It is proposed that no specific timelines be set for appeals. However, an exchange of information before the hearing is encouraged.

It is proposed that the appellant would be required to provide the information **at least 30 days** before the hearing date if, from the issues set out in the ARB complaint form, it is determined to be a **complex** appeal. Respondents or other parties would be required to provide their information **at least 15 days** before the hearing date.

New evidence

AR 121/97 prohibits the MGB from considering new evidence that was not before the ARB, but allows the Board to refer a matter back to the ARB. A concern is the number of appeals that are sent back to the assessment review board to rehear and consider due to new evidence.

It is proposed that a provision be set out in the manner in which the appeal is conducted. For instance, guidelines might be developed to define issues and evidence. New evidence may only be added to support existing issues.

In addition, **it is proposed that** the parties be allowed to bring new or different evidence on the issues presented at the ARB. **The evidence, or new issues, must be information which is clearly relevant to establishing the assessment.**

Also in addition, **it is proposed that** parties bringing forward new issues would only be **allowed by consent of both parties**. This should alleviate the need for both parties bringing all conceivable types of issues and evidence to an ARB if they think they might possibly eventually require the information at the MGB.

Sunset Clause

Regulation-making power was brought into the Municipal Government Act in Spring 1998. The spirit of the Evidentiary Matters Regulation (AR 121/97) will be provided for through this new Assessment Complaints and Appeals Regulation.

It is proposed that the Evidentiary Matters Regulation be repealed on December 31, 1998.

Panels of One

New section 527.1 allows the Minister to make regulations setting the conditions under which the MGB administrator may appoint a panel of one for the MGB.

It is proposed that the regulation allow the administrator to appoint panels of one in the following cases:

1. procedural matters such as scheduling or disclosure of evidence;
2. single-family residential properties or farmland; or
3. any assessment under a specified value (\$500,000?).

It is proposed that the board administrator retain the discretion to have **panels of three** even if the parties wish to have a panel of one. **Panels of three** would be held for all non-residential property appeals and machinery and equipment appeals.

Waiving time for decision

There is a time limit of 150 days (sections 468 and 500) for either board to render its decision (except for the MGB in the case of a hearing on an equalized assessment).

It is proposed that the parties be allowed to waive this time period by consent when they wish to allow the panel more time to consider the situation fully before rendering a decision.

Content of Submission

AR 121/97 provides that a party to a complaint to an ARB must disclose the nature of the evidence the party intends to present in sufficient detail to allow the other parties to respond to the evidence at the hearing.

It is proposed that a definition for “evidence” should include the following:

- 1. a summary of the evidence to be presented and arguments to be made/issues to be raised; and**
- 2. any documents on which the person is going to rely, including experts’ reports.**

The evidence or information must be relevant to the issues raised.

In addition to the evidence, legal briefs, if these are being used or introduced (or at minimum copies of cases or other authorities) must be disclosed.



**Proposed
Assessment Complaints and Appeals Regulation (new)**

Respondent: _____

Position: _____

Representing: _____

Assessment Review Boards

1. Do you agree with the suggestions regarding date for submission and exchange of evidence provisions?

2. Do you agree with the suggestion for recording of evidence at assessment review boards?

3. Do you agree with the suggested provisions for appointing panels of one for an assessment review board?

4. Are you in favour of a pre-hearing consultation prior to a complaint being filed?

5. Are you in favour of written submissions being allowed for presentation of appeals?

6. Are you in favour of submitting an estimate of time for complaints?

Municipal Government Board

7. Do you agree with the suggestions regarding date for submission and exchange of evidence provisions?

8. Are you in favour of the suggested provisions for presenting new evidence?

9. Do you agree with the suggested provisions for appointing panels of one for a municipal government board hearing?

10. Do you agree with the suggestion for what constitutes evidence?

11. Do you agree with the suggestion for waiving time for decision?

*Proposed Qualification
of Assessor Regulation
(new)*

PROPOSED QUALIFICATION OF ASSESSOR REGULATION (new)

Introduction

The objective of this proposed regulation is to ensure that assessors appointed by a municipality or designated by the Minister to carry out the duties of an assessor under the Act, have the proper qualifications and to ensure that the regulation does not arbitrarily exclude individuals accredited by recognized property appraisal and assessment administration organizations.

Background

The Alberta Assessors' Association has been accrediting assessors since 1960. During this time the accreditation requirements have evolved with the expectations of employers and the public. Qualifications required to obtain the Accredited Municipal Assessor of Alberta (AMAA) designation are in the top five percent of any valuation and assessment administration organization in North America. This observation was recently made by the Chairman of the Professional Designations Sub-Committee, of the International Association of Assessing Officers.

The Municipal Government Act sets out regulation making power for the Minister respecting qualifications of persons carrying out the duties and responsibilities of an assessor. Qualification for accreditation is only part of the Association's responsibility to the public. The Association also monitors the professionalism of our membership after accreditation. A re-certification program ensures our practicing accredited members maintain current educational standards. Furthermore, the Association is registered as a Profession under Alberta Law, requiring our members to adhere to our code of conduct and professional ethics. A disciplinary committee is established to hear complaints on the conduct of accredited members.

The Alberta Assessors' Association has requested that a qualification of assessor regulation be established. The request was brought forward on the basis that the qualifications established would not exclude designations from other recognized valuation and assessment administration organizations.

The intent is for the regulation to set a standard of expertise which can ensure qualified individuals act in the capacity of appointed assessor for all municipalities.

ALBERTA REGULATION ###/98
Municipal Services Branch Draft
Municipal Government Act
No Legislative Authority
PROPOSED QUALIFICATION OF ASSESSOR REGULATION

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Definitions

1 In this Regulation

- (a) “Act” means the Municipal Government Act;
- (b) “Accredited Municipal Assessor of Alberta, abbreviated as AMAA or A.M.A.A.”, means an accredited member as designated by the Alberta Assessors’ Association;
- (c) “Certified Assessment Evaluator, abbreviated as CAE”, means an accredited member as designated by the International Association of Assessing Officers; and
- (d) “Accredited Appraiser Canadian Institute, abbreviated AACI”, means an accredited member as designated by the Appraisal Institute of Canada.

Purpose

- 2** The purpose of this regulation is to prescribe the qualifications required by a person to be designated as an assessor pursuant to the Act.

Qualifications Required for Designation as an Assessor

- 3 A person designated as an assessor by the Minister or the person appointed by a municipality to carry out the duties of an assessor under the Act, must hold one of the following designations in good standing:
- (a) Accredited Municipal Assessor of Alberta or equivalent;
 - (b) Certified Assessment Evaluator or equivalent; or
 - (c) Accredited Appraiser Canadian Institute or equivalent.

Equivalencies

- 4 For the purposes of section 3, a person is deemed to be equivalent if in the opinion of the Minister that person is qualified because of his or her academic qualifications or his or her experience or a combination of his or her qualifications and experience.

Confirmation

- 5 Each municipality must provide to the Minister annually, not later than April 1, a return stating the name and designation maintained by their appointed assessor.

Effective Date

- 6 This regulation is effective January 1, 2000.



**Proposed
Qualification of Assessor Regulation (new)**

Respondent: _____

Position: _____

Representing: _____

1. Do you support a qualification of assessor regulation?

2. Do you support the list of designations required for the appointed assessor?

3. Do you support equivalencies being allowed at the discretion of the Minister?

Do you have any other specific comments or suggestions?

For further information, please contact:

Mr. Ron Cust, Coordinator, Assessment and Tax Legislation, or
Ms. Janice Halko, Legislative Advisor

by phone at (403) 427-2225, by fax at (403) 420-1016, or by writing:

Alberta Municipal Affairs
Municipal Services Branch
Legislative Projects
17th Floor, 10155 - 102 Street
Edmonton AB T5J 4L4

*Thank you for taking the time to review this
consultation paper and to provide your views.*

*Please send in your comments by
November 18, 1998.*

Appendix 1

ALBERTA REGULATION 365/94
Municipal Government Act
STANDARDS OF ASSESSMENT REGULATION

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Definitions **1** In this Regulation,

(a) "Act" means the *Municipal Government Act*, SA 1994 cM-26.1;

(b) "agricultural use value" means the value of a parcel of land based exclusively on its use for farming operations;

(c) "assessment year" means the year in which assessments are prepared for property in a municipality to be used for taxation in the following year;

(d) "depreciated replacement cost" means the typical cost to replace an improvement with a modern unit in new condition, adjusted to reflect a loss in value attributable to any cause;

(e) "farming operations" means the raising, production and sale of agricultural products and includes

(i) horticulture, aviculture, apiculture and aquiculture,

(ii) the production of livestock as defined in the *Livestock and Livestock Products Act*, and

(iii) the planting, growing and sale of sod;

(f) “farm building” means any improvement other than a residence, to the extent it is used for farming operations;

(g) “machinery and equipment” means materials, devices, fittings, installations, appliances, apparatus and tanks other than tanks used exclusively for storage, including supporting foundations and footings and any other thing prescribed by the Minister that forms an integral part of an operational unit intended for or used in

(i) manufacturing,

(ii) processing,

(iii) the production or transmission by pipeline of natural resources or products or byproducts of that production, but not including pipeline that fits within the definition of linear property in section 284(k)(iii) of the Act,

(iv) the excavation or transportation of coal or oil sands, as defined in the *Oil Sands Conservation Act*,

(v) a telecommunications system, or

(vi) an electric power system,

whether or not the materials, devices, fittings, installations, appliances, apparatus, tanks, foundations, footings or other things are affixed to land in such a manner that they would be transferred without special mention by a transfer or sale of the land;

(h) “mass appraisal” means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing.

Valuation
standard for
a parcel of
land

2(1) The valuation standard for a parcel of land is

(a) market value, or

(b) if the parcel is used for farming operations,
agricultural use value.

(2) In preparing an assessment for a parcel of land based on agricultural use value, the assessor must follow the procedures set out in the Alberta Farm Land Assessment Minister's Guidelines established and maintained by the Department of Municipal Affairs, as amended from time to time.

(3) Despite subsection (1)(b), the valuation standard for the following property is market value:

(a) a parcel of land containing less than one
acre;

(b) a parcel of land containing at least one acre
but not more than 3 acres that is occupied for residential
purposes or can be serviced by using water and sewer
distribution lines located in land that is adjacent to the
parcel;

(c) an area of 3 acres or more that

(i) is located within a parcel of land,
and

(ii) is occupied for residential purposes;

(d) an area of 3 acres that

(i) is located within a parcel of land,
and

(ii) is not occupied for any purpose but
can be serviced by using water and sewer
distribution lines located in land that is adjacent to
the parcel;

(e) any area that

(i) is located within a parcel of land,

(ii) is used for commercial or industrial
purposes, and

(iii) cannot be serviced by using water

and sewer distribution lines located in land that is adjacent to the parcel;

(f) an area of 3 acres or more that

(i) is located within a parcel of land,

(ii) is used for commercial or industrial purposes, and

(iii) can be serviced by using water and sewer distribution lines located in land that is adjacent to the parcel.

(4) An area referred to in subsection (3)(c), (d), (e) or (f) must be assessed as if it is a parcel of land.

(5) The valuation standard for strata space, as defined in section 87 of the *Land Titles Act*, is market value.

Valuation
standard for
improvements

3(1) The valuation standard for improvements is

(a) the valuation standard set out in section 5, 6 or 7, for the improvements referred to in those sections, or

(b) for other improvements, either of the following, as the assessor may decide:

(i) depreciated replacement cost;

(ii) market value.

(2) If an assessor chooses, under subsection (1)(b), to prepare assessments for improvements on the basis of market value, future assessments for those improvements must also be prepared using that valuation standard.

(3) In preparing an assessment for a farm building, the assessor must determine its value based on its use for farming operations.

Valuation
standard
when a
parcel and
improvements
are assessed
together

4(1) If an assessor chooses to prepare a combined assessment for a parcel of land and the improvements to it, the valuation standard for the combined property is

(a) for the land, the valuation standard as set out in section 2, and for the improvements, depreciated replacement cost, or

(b) for the land the valuation standard as set out in section 2, and for the improvements, market value.

(2) Assessments prepared in accordance with subsection (1) may be entered on the assessment roll as one total assessment for the combined property.

Valuation
standard for
railway

5(1) The valuation standard for railway is the value determined in accordance with Schedule 1.

(2) Each rail company must report the type and length of line in each municipality annually to the designated assessor.

AR 365/94 s5; 313/96

Valuation
standard for
linear
property

6(1) The valuation standard for linear property is that calculated in accordance with the procedures referred to in subsection (2).

(2) In preparing an assessment for linear property, the assessor must follow the procedures set out in the Alberta Linear Property Assessment Minister's Guidelines established and maintained by the Department of Municipal Affairs, as amended from time to time.

AR 365/94 s6; 313/96; 290/97

Valuation
standard for
machinery
and
equipment

7(1) The valuation standard for machinery and equipment is that calculated in accordance with the procedures referred to in subsection (2).

(2) In preparing an assessment for machinery and equipment, the assessor must follow the procedures set out in the Alberta Machinery and Equipment Assessment Minister's Guidelines established and maintained by the Department of Municipal Affairs, as amended from time to time.

Actions
under the
Planning Act

8 When a property is used for farming operations or residential purposes and an action is taken under Part 17 of the *Municipal Government Act* that has the effect of permitting or prescribing for that property some other use, the assessor must determine its value

(a) in accordance with its residential use, for that part of the property that is occupied by the owner or the purchaser or the spouse or dependant of the owner or purchaser, and is used exclusively for residential purposes, or

(b) based on agricultural use value, if the

property is used for farming operations, unless section 2(3) applies.

AR 365/94 s8;290/97

Assessment
based on
July 1 value
of property

9 Any assessment prepared in accordance with the Act must be an estimate of the value of a property on July 1 of the assessment year.

Quality
standards

10 Assessments for property other than

- (a) land, based on agricultural use value,
- (b) railway,
- (c) linear property, and
- (d) machinery and equipment

must be prepared having regard to the quality standards required by Schedule 2.

Mass
appraisal

11 An assessment of property based on market value or depreciated replacement cost

- (a) must be prepared using mass appraisal,
- (b) must be an estimate of the value of the fee simple estate in the property, and
- (c) must reflect typical market conditions for properties similar to that property.

Duty to
record
information

12 The assessor must keep a record of the information set out in Schedule 3 for each property, if applicable.

Duty to
provide
information
to Minister

13 A municipality must provide to the Minister, in the manner required by the Minister, information and statistics about

- (a) the municipality, and
- (b) similar properties in the municipality.

Coming into
force

14 *This Regulation comes into force on January 1, 1995.*

SCHEDULE 1**VALUATION STANDARD FOR RAILWAY**

1 The valuation standard for railway is \$391 000 per kilometre, as adjusted by

- (a) firstly, multiplying the valuation standard by the applicable assessment year modifier, and
- (b) secondly, multiplying the product of the valuation standard and the applicable assessment year modifier by the applicable factor for the applicable annual traffic:

<u>ASSESSMENT YEAR</u>	<u>MODIFIER</u>
------------------------	-----------------

1995	1.00
1996	1.00
1997	1.00
1998	1.00

<u>AVERAGE ANNUAL TRAFFIC</u>	<u>FACTOR</u>
-------------------------------	---------------

Type 1	More than 25 million tonnes	0.400
Type 2	More than 15 million tonnes to a maximum of 25 million tonnes	0.300
Type 3	More than 7 million tonnes to a maximum of 15 million tonnes	0.150
Type 4	More than 3 million tonnes to a maximum of 7 million tonnes	0.040
Type 5	More than 1 million tonnes to a maximum of 3 million tonnes	0.030
Type 6	Up to 1 million tonnes	0.025
Type 7	Abandoned rail line or zero tonnes	0.010
Type 8	Spur line on station ground, private land or marshalling or maintaining yards	0.020 *

*Indicates rail value only. Land is valued separately.

AR 365/94 Sched.1:313/96

SCHEDULE 2**QUALITY STANDARDS****1** In this Schedule,

(a) “assessment level” for a specified group of properties means the overall ratio of assessments to indicators of market value;

(a.1) “assessment ratio” means the ratio of the assessment to an indicator of market value for a property;

(b) “coefficient of dispersion” means the average percentage deviation of the assessment ratios from the median assessment ratio;

(c) “median assessment ratio” means the middle assessment ratio when the assessment ratios for a group of properties are arranged in order of magnitude;

(d) “property” means property other than

(i) land, where the assessment is based on agricultural use value,

(ii) railway,

(iii) linear property, and

(iv) machinery and equipment.

2 The following quality standards must be met in the preparation of assessments of property:

PROPERTY TYPE	MEDIAN ASSESSMENT RATIO	COEFFICIENT OF DISPERSION
Residential	.90 - 1.10	0 - 15.0
Income properties		
Cities	.90 - 1.10	0 - 15.0
Other municipalities	.90 - 1.10	0 - 15.0
Vacant property	.90 - 1.10	0 - 20.0

3 The median assessment ratio of any group must be within 5% of the assessment level.

AR 365/94 Sched.2;313/96

SCHEDULE 3**INFORMATION TO BE RECORDED**

- 1** For each parcel of land - legal description, parcel size, land use bylaw code and actual use
- 2** For each improvement - quality rating, classification, size, effective year built and condition
- 3** For a sale - certificate of title, sale price, adjustments and sale date



Appendix 2

(Consolidated up to 318/96)

ALBERTA REGULATION 366/94

Municipal Government Act

ASSESSMENT EQUALIZATION REGULATION

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Definitions **1** In this Regulation,

(a) "Act" means the *Municipal Government Act*, SA 1994 cM-26.1;

(b) "assessment level" means the overall ratio of assessments to indicators of market value, for a specified group of properties;

(c) "assessment ratio" has the meaning given to it in Schedule 2 of the *Standards of Assessment Regulation* (Alta. 365/94);

(d) "overall ratio" means the weighted ratio for a group of properties, calculated using the median assessment ratios for subgroups of properties within that group.

AR 366/94 s1;318/96

Preparation of an equalized assessment

2(1) In preparing the equalized assessment for a municipality, the assessments reported in accordance with section 319 of the Act must be adjusted, using relevant information that the Minister deems appropriate,

(a) to reflect the total assessments for property in the municipality

(i) adjusted to a common year, and

(ii) adjusted to reflect an assessment level of 1.00,

and

(b) to compensate for differences between the *Standards of Assessment Regulation* (Alta. Reg. 365/94) and the applicable assessment legislation and regulations that were in force when assessments were last prepared for all property in the municipality.

(2) The assessments referred to in subsection (1) must also be adjusted by applying factors that the Minister deems appropriate for parcels of land that were assessed in accordance with section 2(1)(b) of the *Standards of Assessment Regulation* (Alta. Reg. 365/94) and for improvements that were assessed in accordance with section 3(1)(a) of that Regulation

AR 366/94 s2;299/95;318/96

Change
exceeding
10%

2.1(1) If the equalized assessment for a municipality changes by more than 10% from one year to the next, the Minister may phase in the new equalized assessment over a period not exceeding 3 years.

(2) Subsection (1) applies only when the equalized assessment for a municipality is being prepared for 1997 or a subsequent year.

AR 318/96 s3

City of
Lloydminster

3 The equalized assessment for the portion of the City of Lloydminster that is in Alberta must reflect assessments as if they were prepared in accordance with the Act.

Summer
village

4 The equalized assessment for a summer village must be adjusted in accordance with the Schedule.

Exclusion
from
equalized
assessment

5 If an assessed person is entitled to a reduction in the tax payable in respect of property under the *Property Tax Reduction Act*, the assessment for that property must be excluded from the equalized assessment, for the purpose of requisitions required to be paid to the Alberta School Foundation Fund under section 158(2) of the *School Act*.

Coming into
force

6 *This Regulation comes into force on January 1, 1995.*

SCHEDULE

1 In preparing the equalized assessment for a summer village, the

Minister must apply the appropriate modifier in column 2 that is opposite the appropriate category for that summer village in column 1.

Column 1 Percentage of parcels in a summer village that are permanently occupied	Column 2		
	Modifier		
	1995	1996	1997
0 - 2%	81%	90%	100%
3 - 5%	81%	91%	100%
6 - 8%	83%	91%	100%
9 - 11%	83%	92%	100%
12 - 14%	85%	92%	100%
15 - 17%	85%	93%	100%
18 - 20%	87%	93%	100%
21 - 23%	88%	94%	100%
24 - 26%	89%	94%	100%
27 - 29%	90%	95%	100%
30 - 32%	91%	95%	100%
33 - 35%	92%	96%	100%
36 - 38%	93%	96%	100%
39 - 41%	94%	97%	100%
42 - 44%	95%	97%	100%
45 - 47%	96%	98%	100%
48 - 50%	97%	98%	100%
51 - 53%	98%	99%	100%
54 - 56%	99%	99%	100%
57-100%	100%	100%	100%

2 For the purpose of selecting the appropriate category in column 1 for a summer village, a parcel of land is permanently occupied if it is occupied by a person who is included in

(a) an official census conducted pursuant to the Determination of Population Regulation (Alta. Reg. 371/94) in any year prior to the year in which the equalized assessment for the summer village is prepared, or

(b) a population census taken pursuant to the Statistics Act (Canada),

whichever occurs later.



Appendix 3

(Consolidated up to 162/97)

ALBERTA REGULATION 372/94

Municipal Government Act

TRANSITIONAL REGULATION

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Definitions

1 In this Regulation,

(a) "Alberta Assessment Appeal Board" means the Alberta Assessment Appeal Board appointed under the former *Assessment Appeal Board Act*;

(b) "former *Assessment Appeal Board Act*" means the *Assessment Appeal Board Act*, RSA 1980 cA-46;

(c) "former *Municipal Government Act*" means

the *Municipal Government Act*, RSA 1980 cM-26;

(d) “former *Municipal Tax Exemption Act*” means the *Municipal Tax Exemption Act*, RSA 1980 cM-30;

(e) “former *Municipal Taxation Act*” means the *Municipal Taxation Act*, RSA 1980 cM-31;

(e.1) “former *Planning Act*” means the *Planning Act*, RSA 1980 cP-9;

(f) “former *Tax Recovery Act*” means the *Tax Recovery Act*, RSA 1980 cT-1;

(g) “machinery and equipment” has the meaning given to it in section 1(g)(i), (ii) and (iii) of the *Standards of Assessment Regulation* (Alta. Reg. 365/94);

(h) “new Act” means the *Municipal Government Act*, SA 1994 cM-26.1.

AR 372/94 s1;220/95

Year in which
the new Act
applies to
assessments

2(1) A municipality that completed a general assessment under the former *Municipal Taxation Act* in 1992 or any earlier year must prepare assessments for property in the municipality in accordance with the new Act not later than 1996, for taxation in the following year.

(2) A municipality that completed a general assessment under the former *Municipal Taxation Act* in 1993 or 1994 must prepare assessments for property in the municipality in accordance with the new Act not later than 1997, for taxation in the following year.

(3) Despite subsection (1), the County of Ponoka must prepare assessments for property in that municipality in accordance with the new Act not later than for the taxation year 1998.

(4) Despite subsections (1) and (2),

(a) the City of Edmonton must prepare assessments for property in that municipality in accordance with the new Act,

(b) the City of Calgary must prepare assessments for property in that municipality in accordance with the new Act, and

(c) the City of Wetaskiwin must prepare assessments for property in that municipality in accordance with the new Act,

not later than for the taxation year 1999.

AR 372/94 s2;315/96;162/97

Preparation of
assessment roll

3(1) A municipality that has been required under section 2 to prepare assessments in accordance with the new Act must prepare its assessment roll to reflect those assessments.

(2) A municipality that has not yet been required under section 2 to prepare assessments in accordance with the new Act may prepare its assessment roll to reflect the following:

(a) the assessed values prepared or adopted for property before the coming into force of the new Act;

(b) the assessed values determined in accordance with section 35 of the former *Municipal Taxation Act* for property that was exempt under the former *Municipal Taxation Act*, but excluding any assessed values determined for property listed in section 298 of the new Act;

(c) the assessed values prepared or adopted for property after the coming into force of the new Act, but excluding any assessed values determined for property listed in section 298 of the new Act.

(3) A municipality may exclude from its assessment roll in 1995 property that is referred to in sections 361, 362, 363 and 364 of the new Act.

(4) Property excluded from an assessment roll pursuant to subsection (3) must be included in a correction of the roll under section 305 of the new Act before May 1, 1995.

Assessed
values

4 The assessed values referred to in section 3(2)(c) must reflect the property values that existed in the last year when assessments were prepared for all property in the municipality.

Application of
Property Tax
Exemption
Regulation

5 The exemptions from taxation in section 2(a) and (b) of the *Property Tax Exemption Regulation* (Alta. Reg. 368/94) do not apply to a municipality

(a) that has not yet been required under section 2 of this Regulation to prepare assessments in accordance with the new Act, and

(b) that is not affected by the *Rural Improvements Assessment Exemption Regulation* (Alta.

Reg. 373/88) for taxation purposes in 1995.

The Municipality
of Crowsnest
Pass

6(1) The *Municipality of Crowsnest Pass Assessment Regulation* (Alta. Reg. 4/91) remains in effect until The Municipality of Crowsnest Pass has prepared assessments for property in that municipality in accordance with the new Act.

(2) The exemptions from taxation in section 2(c) of the *Property Tax Exemption Regulation* (Alta. Reg. 368/94) do not apply to The Municipality of Crowsnest Pass until it has prepared assessments for property in that municipality in accordance with the new Act.

Assessments
for
condominiums

7(1) The rules set out in the former *Municipal Taxation Act* relating to the assessment of condominiums continue to apply to a municipality until the municipality has prepared assessments for condominium property in that municipality in accordance with the new Act.

(2) Section 737(10) of the new Act has no effect in a municipality until the municipality has prepared assessments for condominium property in that municipality in accordance with the new Act.

AR 372/94 s7:220/95

Mobile units

8(1) A municipality may continue to license mobile units for one year after the new Act comes into force.

(2) A municipality exercising the option in subsection (1) must do so as if the former *Municipal Government Act* and the former *Municipal Taxation Act* were still in force.

Machinery and
equipment
exemption

9(1) Until January 1, 1997, a council may, by bylaw, exempt from taxation under Part 10 of the new Act all or a percentage of the assessment prepared for machinery and equipment.

(2) The municipality must provide the total assessment for the machinery and equipment to the Minister in accordance with section 319 of the new Act.

Costs of
preparing
assessments

10 Section 78(3) and (4) of the former *Municipal Taxation Act* continue to apply until March 31, 1995 in respect of costs incurred before January 1, 1995 for the preparation of assessments pursuant to section 78(1) of that Act.

Assessment to
be excluded

11 An assessment of property made taxable as a result of a council passing a bylaw under section 25 of the former *Municipal*

from equalized assessment *Taxation Act* must not be included in an equalized assessment prepared for the purpose of taxation in 1995.

Equalized assessments to be prepared and effective in 1995 **12(1)** Respecting equalized assessments that are to be prepared and effective in 1995, each municipality must provide to the Minister on or before January 15, 1995 a return containing the information requested by the Minister in the form required by the Minister.

(2) The Minister must send to each municipality, not later than May 1, 1995, a report of all the equalized assessments prepared pursuant to subsection (1).

(3) A municipality may appeal the amount of an equalized assessment prepared pursuant to subsection (1) to the Municipal Government Board not later than July 1, 1995.

Bylaws continued **13(1)** A bylaw passed by a council under the former *Municipal Tax Exemption Act* continues after the coming into force of the new Act.

(2) After December 31, 1995, a bylaw referred to in subsection (1) ceases to have any effect.

Public vote bylaws **13.1(1)** In this section, "public vote bylaw" means a bylaw passed in 1990, 1991, 1992, 1993 or 1994 under section 125 of the former *Municipal Government Act* as a result of a vote of the electors.

(2) For the purposes of applying section 240(1)(b) of the new Act to a public vote bylaw, the reference to "3 years" in section 240(1)(b) is deemed to be a reference to "5 years".

(3) This section ceases to apply to a public vote bylaw 5 years from the date that the bylaw was passed.

(4) This section does not affect the validity of a bylaw that amends or repeals a public vote bylaw if the amendment or repeal was passed in accordance with the new Act between January 1, 1995 and the coming into force of this section.

AR 105/95 s2

Land use bylaws - transfer of land **13.2** If land is transferred from one municipal authority to another as a result of an amalgamation, annexation or separation made under the former *Municipal Government Act*, the land use bylaw of the municipal authority from which the land was transferred continues to apply to the land until repealed or amended by the municipal authority that received the land.

Planning bylaws **13.3(1)** In this section,

(a) “proposed adoption bylaw” means a bylaw to adopt or amend a statutory plan as defined in the former *Planning Act* and that received first reading before September 1, 1995 but was not passed before September 1, 1995;

(b) “proposed land use bylaw” means a land use bylaw or an amendment to a land use bylaw that received first reading before September 1, 1995 but was not passed before September 1, 1995.

(2) Despite Part 17 of the new Act, the provisions of the former *Planning Act* relating to the passage of a bylaw that adopts or amends a statutory plan as defined in the former *Planning Act* and the provisions respecting the content of those plans continue to apply to a proposed adoption bylaw until January 1, 1996 or the bylaw is passed, whichever occurs first.

(3) A joint general municipal plan that is adopted or amended by a proposed adoption bylaw that is passed before January 1, 1996 is deemed to be an intermunicipal development plan under the new Act and must be amended on or before September 1, 1998 to provide for the matters referred to in section 631(2)(b) of the new Act if those matters are not provided for in the plan.

(4) A general municipal plan that is adopted or amended by a proposed adoption bylaw that is passed before January 1, 1996 is deemed to be a municipal development plan under the new Act and must be amended on or before September 1, 1998 to provide for the matters referred to in section 632(3)(a), (d) and (e) of the new Act if those matters are not provided for in the plan.

(5) An area structure plan that is adopted by a proposed adoption bylaw that is passed before January 1, 1996 is deemed to be an area structure plan under the new Act.

(6) An area redevelopment plan that is adopted by a proposed adoption bylaw that is passed before January 1, 1996 is deemed to be an area redevelopment plan under the new Act.

(7) Despite Part 17 of the new Act, the provisions of the former *Planning Act* relating to the passage, amendment and content of a land use bylaw continue to apply to a proposed land use bylaw until January 1, 1996 or the bylaw is passed, whichever occurs first.

(8) A proposed land use bylaw that is passed before January 1,

1996 is deemed to be a land use bylaw under the new Act and must be amended on or before September 1, 1998 to provide for the matters described in section 640(2) of the new Act if those matters are not provided for in the bylaw.

AR 220/95 s4

Formation of a
municipal
district

14 The provisions of the former *Municipal Government Act* respecting the formation of a municipal district apply to the formation of a municipal district formed on January 1, 1995 by an order of the Lieutenant Governor in Council made in December, 1994 under that Act.

Edmonton
Power Authority

15(1) Sections 181 and 195 to 199 of the new Act do not apply to the Edmonton Power Authority until January 1, 1997.

(2) The resolution of the council of the City of Edmonton establishing the procedures and conduct for the Edmonton Power Authority, as amended from time to time, may not be challenged during 1995 and 1996 solely on the ground that the procedures and conduct are not prescribed by bylaw.

Assessment
appeals

16 Section 730 of the new Act applies only if the notice of appeal was served on the person and within the time specified in section 57 of the former *Municipal Taxation Act*.

AR 372/94 s16;220/95

Tax recovery
matters

17(1) Where a tax recovery notification is registered against a parcel of land before January 1, 1995 by the Registrar of the proper land titles office under section 4(1) of the former *Tax Recovery Act*, the parcel must be offered for sale at a public auction held not later than January 1, 1996.

(2) If a parcel of land is offered for sale by a municipality but is not sold at a public auction held before January 1, 1995 and there are tax arrears in respect of the parcel, the municipality becomes the owner of the parcel on the expiration of one year following the public auction, unless it has started an action under section 411(1)(b) of the new Act before the expiration of that year.

(2.1) In the circumstances referred to in subsection (2), the Minister may, by order, permit the municipality to become the owner of the parcel before the expiration of the one-year period referred to in subsection (2).

(3) A person who had a right to apply under section 28 of the former *Tax Recovery Act* for all or part of the money held in a tax sale trust account before the coming into force of the new Act may

make that application at any time before January 1, 1996.

AR 372/94 s17;133/95

Continuation of
lease on tax
recovery land

18 If a tax recovery notification is registered against a parcel of land before January 1, 1995 by the Registrar of the proper land titles office under section 4(1) of the former *Tax Recovery Act* and a lease, licence or permit has been granted by the municipality or a member of the Executive Council of Alberta in respect of the parcel before January 1, 1995, the lease, licence or permit continues until the term specified in it expires.

Repealed Acts
to remain in
force in The
Town of Banff

19(1) The Acts listed in section 739 of the new Act, to the extent that they applied in The Town of Banff before January 1, 1995, remain in force in The Town of Banff on and after January 1, 1995 until the Minister of the Government of Canada who is responsible for the administration of the *National Parks Act* (Canada) declares that part or all of the new Act applies in The Town of Banff.

(2) The former *Planning Act*, to the extent that it applied in The Town of Banff before September 1, 1995, remains in force in The Town of Banff on and after September 1, 1995 until the Minister of the Government of Canada who is responsible for the administration of the *National Parks Act* (Canada) declares that part or all of Part 17 of the new Act applies in The Town of Banff.

AR 372/94 s19;220/95

Corporation not
a council
committee

20 A corporation established by a council is not a council committee until January 1, 1997.

Annual financial
statements

20.1 Despite section 276(1) of the new Act, a municipality that prepared annual financial statements for the 1993 financial year may prepare its annual financial statements for the 1994 financial year in accordance with

(a) the accounting principles and standards that the municipality followed in the preparation of its annual financial statements for the 1993 financial year, and

(b) the accounting principles and standards under section 276(1)(b) of the new Act.

AR 410/94 s2

Auditor

20.15(1) Despite section 280(3) of the new Act, a council may appoint an employee of the municipality to be its auditor for the purposes of preparing the auditor's report for the municipality's financial information return in respect of the 1994 financial year.

(2) The employee referred to in subsection (1) may not be appointed unless the employee reports directly to council and is a chartered accountant, certified management accountant or certified general accountant.

AR 191/95 s2

20.2 Repealed AR 220/95 s7.

Business
revitalization
zones

20.3(1) If a request to designate an area as a business revitalization zone and to establish its board was received by a council before January 1, 1995, then, despite sections 2 to 5(1) of the *Business Revitalization Zone Regulation* (Alta. Reg. 377/94), section 171.2(1) to (4) of the former *Municipal Government Act* apply to the request.

(2) If a council receives a request referred to in subsection (1) and there is no bylaw providing for the assessment of businesses in the municipality before January 1, 1995, then

(a) the references in section 171.2(1) and (2) to persons shown on the current assessment roll as being assessed for business assessment are deemed to refer to persons who operate businesses in the proposed business revitalization zone and who would be liable to pay a business revitalization zone tax in respect of those businesses if the zone was established, and

(b) the reference in section 171.2(3) to persons entitled to notice representing at least 1/3 of the business assessment is deemed to refer to persons who represent at least 1/3 of the businesses whose operators would be liable to pay a business revitalization zone tax in respect of those businesses if the zone was established.

(3) If a business revitalization zone is to be established as a result of a request referred to in subsection (1), the bylaw establishing the zone and its board is subject to section 5(2) of the *Business Revitalization Zone Regulation* (Alta. Reg. 377/94).

AR 19/95 s2

Investments

20.4(1) Section 250 of the new Act does not apply to investments made by a municipality before January 1, 1995 under the former *Municipal Government Act*.

(2) Money from an investment referred to in subsection (1) that is invested after January 1, 1995 is subject to section 250 of the new Act.

AR 19/95 s2

Authority to sit

20.5 A person appointed as a member of the Municipal

as member of
Alberta
Assessment
Appeal Board

Government Board under section 486(1) of the new Act may sit as a member of the Alberta Assessment Appeal Board for the purpose of hearing appeals under section 730 of the new Act.

AR 102/95 s2:220/95

Coming into
force

21 *This Regulation comes into force on January 1, 1995.*



Appendix 4

(no amdt)

ALBERTA REGULATION 121/97
Municipal Government Act
EVIDENTIARY MATTERS REGULATION

Disclosure
of evidence

1 Where a complaint is made to an assessment review board under Part 11 of the Act, a person who receives notice under section 462(b) of the Act of the date, time and location of the hearing and intends to present evidence at the hearing must, within a reasonable time before the hearing is held, disclose to all other persons who have received such a notice the nature of the evidence the person intends to present, in sufficient detail to allow the other persons to respond to the evidence at the hearing.

New evidence

2 If at the hearing of an appeal from an assessment review board under section 488(1)(c) of the Act, the Municipal Government Board is presented with new evidence that was not before the assessment review board, the Municipal Government Board

(a) must not consider the new evidence, and

(b) may refer the matter back to the assessment review board for further consideration, subject to any terms and conditions the Municipal Government Board considers necessary.

Application

3 This Regulation applies only where the complaint to which the proceedings relate is made after the coming into force of this Regulation.

